ATTACHMENT 8

US Bureau of Reclamation Press Release Announcing \$143.3 Million in FY 99 Budget



WASHINGTON OFFICE

NEWS RELEASE

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BUREAU OF RECLAMATION

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BUREAU OF RECLAMATION RELEASES FY 1999 BUDGET REQUEST; INCLUDES \$143 MILLION FOR CALIFORNIA BAY-DELTA

The Department of the Interior's Bureau of Reclamation today released its budget submission for Fiscal Year 1999, requesting \$893.3 million in new budget authority. This includes \$775.8 million in current appropriations to support Reclamation's program in water resources management in the west, a decrease of \$8 million from the 1998 level.

Reclamation's FY 1999 request also includes \$143.3 million in second-year funding for the California Bay-Delta Ecosystem Restoration, an increase of \$58.3 million over enacted 1998 funding. This program addresses solutions focused on restoring the ecological health of the Bay-Delta system and improving water management techniques for beneficial uses. Funding will be distributed among participating Federal agencies based on a program recommended by CALFED-a consortium of Federal and State agencies with management and regulatory responsibilities in the Bay-Delta— and approved by the Secretary of the Interior.

"Reclamation's budget reflects our success in evolving from a civil works construction agency to a water resources management organization," BOR Commissioner Eluid Martinez said. "Our FY 1999 request especially emphasizes our continued focus on environmental restoration in several river basins and in California's Bay-Delta, and our dedication to dam safety and repair work as our structures age."

The 1999 budget request includes \$665.9 million for Water and Related Resources, a decrease of \$27.1 million from 1998. This request includes \$68 million for safety of dams activities which helps ensure the safety and reliability of Reclamation structures and protect the downstream public. In addition, the request provides funds for moving several large projects currently under construction towards completion, including \$49.9 million for the Central Arizona Project, \$31.3 million for Mni Wiconi (SD), and \$24.1 million for the Garrison Diversion Unit (ND). The budget also includes \$131.4 million for California's Central Valley Project for facility operation, maintenance, and rehabilitation, and for fish and wildlife work and other purposes. Funds are also requested in 1999 to complete sediment removal in the Colorado River near Yuma, Arizona.

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The 1999 request also provides funds for a number of high priority activities that emphasize water conservation, environmental restoration and innovative ways of managing our water resources. The budget proposes \$36.6 million for water reclamation and reuse, including funding for four ongoing construction projects, two ongoing studies and an initiative in this important field. Funds for recently revamped programs aimed at reducing salinity in the Upper Colorado River Basin and encouraging the efficient use of water are increased to \$12.3 million and \$5.3 million respectively. Funds are requested for several environmental restoration projects, including \$13.1 million for Columbia/Snake River Salmon Recovery projects and \$15 million for Endangered Species Recovery projects in other river basins.

In addition to funds for the Central Valley Project (CA) included in the Water and Related Resources account, \$49.4 million is requested for the Central Valley Project Restoration Fund. This fund, financed by revenues collected from project beneficiaries, is available to improve fish and wildlife resources in the Central Valley Project area.

The 1999 request includes funding of \$12.4 million for the Loan Program, a \$2 million increase from 1998. This request would continue funding six loans (five in California and one in Oregon).

Today, and in the future, Reclamation's mission places greater emphasis on water conservation, recycling, and reuse; developing partnerships with customers, States, and tribes; and finding ways to bring a variety of interests together to address competing needs. Our goal is to meet the increasing water demands of the West while protecting the environment and the public's investment.

After constructing more than 600 dams and reservoirs, including Hoover and Grand Coulee dams, Reclamation's initial dam-building mission had been accomplished. Today, Reclamation is the largest water wholesaler in the country, bringing water resources to more than 31 million people and irrigating approximately 10 million acres of land. Reclamation also is the second largest producer of hydroelectric power in the Western States. Reclamation's 58 powerplants annually provide more than 40 billion kilowatt-hours, generate nearly a billion dollars in power revenues, and produce enough electricity to serve six million homes.

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